GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:864
ANSWERED ON:03.12.2015
Liberalised Coal Linkages
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Will the Minister of COAL be pleased to state:

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(a) whether it is proposed to liberalise coal linkages with intra-companies enabling them to swap coal linkages within same companies;
(b) if so, the details thereof;
(c) whether the Government is also contemplating on setting up of large scale coal washeries to bring down pollution levels; and
(d) if so, the details thereof?

Answer

MINISTER OF STATE (I/C) IN THE MINISTRY OF COAL, POWER AND NEW & RENEWABLE ENERGY
(SHRI PIYUSH GOYAL)

(a)&(b):The provision of allowing inter power plant transfer of coal under coal linkages from one Power Plant to another is already in place. Such dispensation is allowed subject to the following conditions:

a) Transfer of coal is allowed only between the power plants wholly owned by the Purchaser or its wholly owned subsidiary. No transfer of coal is allowed for a Joint Venture (JV) company of the Purchaser. The supply of coal, for all commercial purpose under the Fuel Supply Agreement (FSA) remains unchanged and on account of the original Power Plant.
b) Both the Power Plants should have executed FSA in the modified FSA Model applicable for new power plants and not having any supplies linked to coal blocks. In case of Independent Power Producers (IPPs) both the plants must have valid long term Power Purchase Agreements (PPAs) with DISCOMS.
c) In no case the transferred quantity to a plant together with the quantity supplied under the applicable FSA exceeds the Annual Contracted Quantity (ACQ) of the Transferee Plant for a particular year which is proportional to the long term PPA with DISCOMS.
d) Transfer of coal is not allowed to those plants who are allotted coal blocks under this arrangement.
e) In case of change in ownership and no environmental clearance of the plant this facility stands withdrawn, and
f) Penalty/Incentive under this arrangement is considered in terms of (a) above.

(c)&(d):Coal India Limited (CIL) has planned to set up 15 new washeries. Out of these, 9 washeries are planned for non- coking coal with capacity of 94 Million Tonne Per Year (MTY) and 6 coking coal washeries of capacity 18.60MTY.

The details of the proposed washeries are as follows:

Sl No. Subsidiary
Company Name of the
Washery Capacity (MTY)
1 BCCL Madhuband 5.0
2 BCCL Patherdih 5.0
3 BCCL Dahibari 1.6
4 BCCL Patherdih 2.5
5 BCCL Dugda 2.5
6 BCCL Bhojudih 2.0
7 MCL Hingula 10.0
8 MCL Jagannath 10.0
9 MCL Basundhara 10.0
10 MCL lbValley 10.0
11 CCL Ashoka 10.0
12 CCL Konar 7.0
13 CCL Karo 7.0
14 SECL Baroud 5.0
15 SECL Kusmunda 25.0
Total 112.60

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